

**Technical Note**  
**Gross Domestic Product**  
**First Quarter of 2004 (Preliminary)**  
**May 27, 2004**

This technical note provides background information about the source data and estimating methods used to produce the estimates presented in the GDP news release. The complete set of estimates for the first quarter is available on BEA's Web site <[www.bea.gov](http://www.bea.gov)>; a brief summary of "highlights" is also posted on the Web site. In a few weeks, the estimates will be published in BEA's monthly journal, the *Survey of Current Business*, along with a more detailed analysis of the estimates ("The Business Situation").

**Sources of Revision to Real GDP**

Real GDP growth in the first quarter was revised from 4.2 percent to 4.4 percent. Upward revisions to inventory investment, to government spending, and to exports were partly offset by an upward revision to imports:

- C Inventory investment was revised up, mainly reflecting newly available Census Bureau data on nondurable goods manufacturing and retail trade inventories for March and revised data for February.
- C Spending by state and local governments was revised up, reflecting newly available Census Bureau data on value of construction put in place for March and revised data for January and February.
- C Both imports and exports were revised up, reflecting newly available Census Bureau data on goods for March and revised data for February.

**Revision to Wages and Salaries and Disposable Personal Income**

Beginning with today's news release, BEA is accelerating by one month its revisions to the estimates of wages and salaries for the prior quarter. These revisions incorporate tabulations of wages and salaries of employees covered by state unemployment insurance from the Bureau of Labor Statistics (BLS). The accelerated schedule reflects the more timely availability of the BLS tabulations.

Wages and salaries increased \$57.8 billion in the fourth quarter, an upward revision of \$18.3 billion. Real disposable personal income is now estimated to have increased 1.2 percent in the fourth quarter, revised up from 0.5 percent, and 4.9 percent in the first quarter, revised up from 4.3 percent.

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Table A.--SOURCE DATA FOR THE ADVANCE AND PRELIMINARY  
ESTIMATES OF GDP FOR THE FIRST QUARTER OF 2004

This table shows the actual data used for the preliminary estimate of GDP for the first quarter of 2004. For these key series, actual data for March were not available in time for inclusion in the advance GDP estimate released on April 29, 2004, and BEA made assumptions for these source data. The numbers in brackets show the March values that had been assumed for the advance estimate. For most series, the data incorporated for February and, in some cases, for January, were preliminary, and the numbers shown in brackets are the values used last month.

All series shown in the table are in billions of dollars, seasonally adjusted at annual rates, and are published by the Bureau of the Census.

	Oct.	2003 Nov.	Dec.	Jan.	2004 Feb.	Mar.
Private fixed investment:						
Nonresidential structures:						
1 Value of new total private construction put in place less residential (inc. improvements)...	217.7	215.7	217.3	212.7 {213.4}	215.6 {215.8}	215.2 {214.6}
Equipment and software:						
2 Manufacturers' shipments of complete aircraft.....	25.9	33.1	27.1	26.6	26.8 {26.8}	28.6 {29.5}
Residential structures:						
Value of new residential construction put in place:						
3 Single family .....	324.4	332.8	339.3	341.7 {339.2}	341.6 {337.6}	345.5 {345.4}
4 Multifamily.....	34.7	34.6	34.1	34.7 {33.5}	35.2 {33.8}	36.2 {34.6}
Change in private inventories:						
5 Change in inventories for nondurable manufacturing.....	-3.4	4.6	-12.9	13.4	17.9 {13.0}	7.7 {0.5}
5a Change in inventories for merchant wholesale and retail industries other than motor vehicles and equipment..	14.4	33.0	24.3	1.0	53.0 {43.5}	40.6 {34.0}

Net exports:

Exports of goods:

6 U.S. exports of goods, international-transactions- accounts basis.....	739.9	764.7	755.5	742.6	778.9 {780.7}	806.3 {788.9}
6a Excluding gold.....	734.9	760.2	751.0	737.5	774.9 {776.7}	802.1 {784.8}

Imports of goods:

7 U.S. imports of goods, international-transactions- accounts basis.....	1304.9	1292.0	1330.6	1324.8	1348.6 {1347.6}	1421.1 {1381.0}
7a Excluding gold.....	1300.9	1288.0	1327.3	1320.7	1344.1 {1343.1}	1417.4 {1376.4}
8 Net exports of goods.....	-565.1	-527.3	-575.1	-582.2	-569.7 {-566.8}	-614.8 {-592.6}
8a Excluding gold.....	-566.0	-527.7	-576.4	-583.2	-569.2 {-566.4}	-615.2 {-591.6}

Government:

State and local:

Structures:

9 Value of new construction put in place.....	202.3	199.2	195.4	193.2 {191.9}	195.2 {190.9}	205.1 {191.4}
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